

MASSACHUSETTS

Workforce Investment Act

WIA Communication No. 03-11

☒ **Policy** ☐ **Information**

To: Chief Elected Officials
Workforce Investment Board Chairs
Workforce Investment Board Directors
Title I Administrators
Title I Fiscal Officers
Career Center Directors
DET Regional and Area Directors

From: Jonathan Raymond, President
Commonwealth Corporation

Date: April 24, 2003

Subject: Additional Funding - Set-aside Funds

Purpose: To transmit the Commonwealth's policy regarding the process for distribution of additional funding for dislocated worker projects **(this policy replaces WIA Policy #00-32)**

Background: The Commonwealth Corporation (CommCorp), as the Dislocated Worker Unit in the Commonwealth, has been given the responsibility by the Department of Labor and Workforce Development for the distribution and management of the discretionary funds available for dislocated worker projects in Massachusetts. These funds are WIA Rapid Response 25% set-aside funds.

This policy is intended to address when and how these funds will be made available to local areas impacted by plant closings and major dislocations.

Policy: The Commonwealth's policy regarding the distribution of additional funds for dislocated worker projects is attached. This policy shall apply to all Massachusetts Local Workforce Investment Areas.

Effective: Immediately.

References: CommCorp Policy #00-28-Rapid Response Activities

Inquiries: Questions related to this policy should be directed to Ken Messina at (617) 727-8158 ext. 1346.

Filing: Please file this in your notebook of previously issued WIA Communication Series Issuances as #03-11.

The Commonwealth Corporation (CommCorp) has developed a process to manage and respond to mass layoffs, closings and potential closings that precipitate substantial increases in the number of unemployed individuals in a given area. This process normally begins with CommCorp Rapid Response activities. Upon receipt of notification of a plant closing or substantial/mass layoff, CommCorp Rapid Response Team will notify the Local Workforce Investment Board (LWIB) and Chief Elected Official (CEO) of the activity (CommCorp Policy 00-28, Rapid Response Activities). Alternatively, CommCorp Economic Stabilization Trust (“The Trust” created in 1984), which lends working capital to manufacturers has successfully employed management intervention strategies to prevent companies from filing for bankruptcy and closing their plants. The Trust can utilize discretionary resources to bring in outside specialists to provide a diagnostic assessment of the company’s viability as a layoff aversion technique and in turn provide management services to sustain troubled enterprises. Moreover, the Trust has the ability to negotiate with pre-existing lenders and invest its own resources in forestalling a potential bank liquidation or ultimate business closure. The Trust is closely coordinated with the CommCorp Rapid Response Team to maximize the wide range of services available to, whenever possible, assist companies to avoid layoffs.

CommCorp Rapid Response staff will work with the affected company to gather information regarding the impacted population. Examples of this data collection include but are not limited to:

- Demographic information
- Job titles
- Salary information
- Service length with the company
- Education and skill levels
- Interest of the workers in accessing services

Using this information, Rapid Response and other CommCorp staff along with the Local Workforce Investment Board (LWIB) will develop a plan of action for Rapid Response and other services available from CommCorp, One Stop Career Centers, Division of Employment and Training, Department of Economic Development and other state and local programs. This plan may include aversion strategies, turnaround management assistance and/or an implementation strategy and schedule to provide on-site services to the laid-off workers by the CommCorp Rapid Response Team. In developing this plan, it may become apparent that a majority of the targeted population may have barriers to employment that will require intensive and training services. If this is the case, CommCorp Rapid Response staff will work with the local board and appropriate CommCorp staff to determine whether a Set Aside proposal may be appropriate.

In order for the event to be considered for additional funding, a proposal must be submitted that contains the following criteria:

1. The layoff activity in the area must exceed the current capacity of the local area to address the intensive and training needs of the population.
2. A large percentage of the affected workforce must have barriers to employment.
3. Identification of the level of funds requested and proposed use of the funds.

The proposal for additional funds must include the following:

- Cover letter- documenting the three criteria; signed by LWIB Director and copied to the Fiscal Agent
- Budget
- Budget Narrative

The proposal should be sent to:

(the proposal may be submitted electronically to kmessina@commcorp.org and followed by a hard copy)

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Administrative Requirements

1. Program Reporting Requirements

Participant data will be entered in the Massachusetts One Stop Employment System (MOSES). A career-center specific program will be set up for this purpose.

2. Fiscal Reporting Requirements

Please be advised that Rapid Response funds under WIA are considered separate from formula funds and will not be added to the current fiscal year. Expenditures for Rapid Response Set Aside funds will be tracked separately. Fiscal Status Reports (FSR) will be submitted electronically by the 20th of each month to Commonwealth Corporation's FSR account. The email address is FSR@CommCorp.org

Commonwealth Corporation reserves the right to recapture unexpended funds.

CommCorp will review the information provided as well as other relevant information. Factors such as the timing of the layoffs, the size of the dislocation, the needs of the population and the amount of funds available will determine whether the project is funded. Once a decision has been made, the Local Workforce Investment Board will be notified in writing. At that time, additional information and/or planning documents may be requested. Please note that funds may be distributed incrementally.